



**STATE OF DELAWARE
PUBLIC SERVICE COMMISSION**

861 SILVER LAKE BOULEVARD
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE: (302) 736-7500
FAX: (302) 739-4849

August 29, 2019

Mr. Robert M. Collacchi, Jr.
Director, Gas Operations and Engineering
Delmarva Power and Light (DP&L)
500 North Wakefield Drive
Newark, DE 19702

**RE: Written Notice of Potential Violation of 26 *Del. Admin. C.* § 8001 – July 11, 2019, 927
Clydesdale Drive, Bear, DE 19701**

Dear Mr. Collacchi:

This letter is sent on behalf of the Delaware Public Service Commission (the "Commission") and serves as notice to Delmarva Power and Light (DP&L) (the "Operator") of potential violations of the State of Delaware's Rules to Establish an Intrastate Gas Pipeline Safety Compliance Program, 26 *Del. Admin. C.* § 8001 (the "Regulations"). The Regulations, at a minimum, enforce the standards set forth in the Federal Pipeline Safety Regulations, 49 C.F.R 190-193 and 198-199.

On July 11, 2019, Mr. Chavis Bianco, a member of the Commission Staff ("Staff"), performed a Construction Inspection of 927 Clydesdale Drive, Newark, DE in the development of Rolling Meadows.

This represents the following potential violations:

- 1) One violation of 49 CFR§192.379 New service lines not in use, which requires the following:
 - Each service line that is not placed in service upon completion of installation must comply with one of the following until the customer is supplied with gas:
 - (a) The valve that is closed to prevent the flow of gas to the customer must be provided with a locking device or other means designed to prevent the opening of the valve by persons other than those authorized by the operator.
 - (b) A mechanical device or fitting that will prevent the flow of gas must be installed in the service line or in the meter assembly.

(c) The customer's piping must be physically disconnected from the gas supply and the open pipe ends sealed.

Mr. Bianco commented:

“Contractor has not properly either locked out or used a mechanical fitting to secure the newly install service risers. The service risers have all been purged and contain natural gas. Regulations require the risers to be properly secured which they were not.A Written Warning Letter dated March 15, 2016 was issued to Delmarva Power and Light for not securing the risers on Pearl Street in Wilmington, DE after an inspection conducted on March 10, 2016.”

- 2) One violation of **49 CFR §192. 513(c) Test requirements for plastic pipelines**, which requires the following:

- (a) Each segment of a plastic pipeline must be tested in accordance with this section.
- (b) The test procedure must insure discovery of all potentially hazardous leaks in the segment being tested.
- (c) The test pressure must be at least 150% of the maximum operating pressure or 50 psi (345 kPa) gauge, whichever is greater. However, the maximum test pressure may not be more than 2.5 times the pressure determined under **§192.121** at a temperature not less than the pipe temperature during the test.
- (d) During the test, the temperature of thermoplastic material may not be more than 100 °F (38 °C), or the temperature at which the material's long-term hydrostatic strength has been determined under the listed specification, whichever is greater.

Mr. Bianco commented:

“Contractor pressure tested six services at 50 PSI and not at 150% of maximum operating pressure.”

- 3) One violation of **49 C.F.R. § 192. 605(a) – Procedural manual for operations, maintenance, and emergencies**, which requires the following:

- (a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

Mr. Bianco commented:

“Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response.”

- 4) One violation of **49 C.F.R. § 192. 13(a)...**(1) – **What general requirements apply to pipeline regulated under this part?**, which requires the following:

(a) No person may operate a segment of pipeline listed in the first column that is readied for service after the date in the second column, unless:

(1) The pipeline has been designed, installed, constructed, initially inspected, and initially tested in accordance with this part; or

(2) The pipeline qualifies for use under this part according to the requirements in §192.14.

Pipeline	Date
Offshore gathering line	July 31, 1977.
Regulated onshore gathering line to which this part did not apply until April 14, 2006	March 15 2007.
All other pipelines	March 12, 1971.

(b) No person may operate a segment of pipeline listed in the first column that is replaced, relocated, or otherwise changed after the date in the second column, unless the replacement, relocation or change has been made according to the requirements in this part.

Pipeline	Date
Offshore gathering line	July 31, 1977.
Regulated onshore gathering line to which this part did not apply until April 14, 2006	March 15, 2007.
All other pipelines	November 12, 1970.

(c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.

Mr. Bianco commented:

“Operator operated a pipeline after March 12, 1971 which was not constructed in accordance with regulations.”

- 5) One violation of **49 C.F.R. § 192. 329 – What general requirements apply to pipeline regulated under this part?**, which requires the following:

Plastic pipelines installed by trenchless excavation must comply with the following:

(a) Each operator must take practicable steps to provide sufficient clearance for installation and maintenance activities from other underground utilities and/or structures at the time of installation.

(b) For each pipeline section, plastic pipe and components that are pulled through the ground must use a weak link, as defined by §192.3, to ensure the pipeline will not be damaged by any excessive forces during the pulling process.

Mr. Bianco commented:

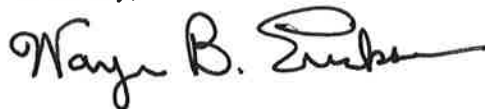
“When pulling pipe through the ground a weak link must be used to ensure the pipeline will not be damaged by any excessive forces during pulling process. The contractor while directionally drilling 2” MDPE pipe was not using a weak link as defined by 49 192.3.”

Staff recognizes that the Operator has recently performed all of the monitoring and testing required with no problems found, and this documentation has been provided. So, there is no remedial action to be taken at this time. However, the lack of attention to these sites is concerning. Therefore, Staff is recommending that the Commission impose an increased civil penalty of \$3,000.00 per potential violation of 49 C.F.R. § 192.379 due to earlier written warning in 2016, impose a civil penalty of \$1,750.00 per potential violation of 49 C.F.R. § 192.513(c), impose a civil penalty of \$1,750.00 per potential violation of 49 C.F.R. § 192.605(a), impose a civil penalty of \$1,750.00 for the potential violation of 49 C.F.R. § 192.13(a)...(1), and impose a civil penalty of \$1,750.00 per potential violation of 49 C.F.R. § 192.329. Thus, the total amount of recommended civil penalties is \$10,000.00.

Staff is referring this matter to the Commission for a formal hearing so that the Commission can rule on this matter. A docket will be opened for this matter, and a notice of a hearing date will be sent to the Operator as soon as possible.

If you have questions regarding this matter, please contact me at 302-736-7526 or Wayne.Ericksen@delaware.gov.

Sincerely,



Wayne B. Ericksen, Program Manager

Enclosure: Copy of Violation Report for July 11, 2019

cc: James McC. Geddes, Esq., Staff Rate Counsel
Chavis Bianco, DE PSC Pipeline Safety Inspector